

**TERMS OF SALE- RIVERSIDE, CA
JULY 18, 2007**

PLEASE NOTE:

For documentation purpose, the U.S. Department of the Treasury and/or its designated agent, VSE Corporation reserves the right to videotape any and all sales. All persons attending this sale are responsible to read, understand, and comply with the terms of sale as specified herein and agree to be bound thereby.

REGISTRATION:

Persons wishing to participate in the bidding process of the sale are required to obtain, completely fill out, and submit a bidder registration card along with a valid government issued photo ID at sale site prior to sale. Each bidder must obtain a bidder number and sale catalog to complete registration. Note: Each registered bidder is solely responsible for the use of his/her bidder number and any use by another person is presumed to be with the consent of and contractually binding on the registered bidder. In order to comply with the Electric Freedom of Information Act Amendments of 1996 (5 U.S.C 552 (2000)), publication of bid results on the U.S. Department of the Treasury auction website will now include the following: lot number, lot description, purchase price, and successful bidder's name.

INSPECTION:

Bidders are urged to inspect property prior to bidding. Failure to inspect shall not constitute cause of cancellation of sale. Property is available for inspection only at places and time specified by VSE Corporation. VSE Corporation may, at its discretion, provide photographs, slides/samples, or a video presentation during the sale as a courtesy to bidders. Bidders are warned against bidding on any lot(s) based solely on the sample displayed or on the basis of photographs. VSE Corporation makes no warranty in relation to these samples or photographs.

CONDITIONS & DESCRIPTIONS:

The conditions of the items being offered varies from "NEW" to "SALVAGE" The buyer understands and agree; (1) that any description or sample of the property given or furnished by VSE Corporation is derived from records and documents, that may be unverified as to accuracy, is solely for identification, and DOES NOT CREATE ANY WARRANTY, expressed or implied that the property actually conforms to such description or sample; (2) all weights, measurements, and descriptions must be considered approximations and do not create any warranty; (3) that the property is purchased and accepted by buyer "AS IS," "WHERE IS," and "WITH ALL FAULTS." VSE CORPORATION MAKES NO WARRANTIES OR GUARANTEES WHATSOEVER WHETHER WRITTEN, ORAL, OR IMPLIED AS TO QUALITY, QUANTITY, CONDITION, USABILITY, SALABILITY, WEIGHT, MEASUREMENT, YEAR, MODEL, MECHANICAL CONDITION, PERFORMANCE, BATTERY CONDITION OR OTHER SPECIFICATIONS.

BIDDING:

Opened and progressive, voice auction; it is the bidder's responsibility to pay attention to items being offered for sale and to bid on items in which he is interested. Normally, items are sold in the sequence listed in the sales catalog. Lot numbers are for administrative purpose only and do

not describe the property. CAUTION: lot numbers identify a particular item or portion of items being sold; however lot numbers posted on property during public inspection may not match catalog lot numbers. Bidders are responsible to ensure the catalog or announced description of any item they intend to purchase matches the property inspected. Sale of property will not be cancelled due to bidder misunderstanding, failure to pay attention to the bidding, or failure to inspect property.

WRITTEN BID:

Written bids may be submitted in person or by registered mail. Acceptable method of payment will be cashier's check. **Make cashier's check payable to VSE Corporation/U.S. Treasury** for the bid amount. Indicate sale number and lot number or description on outside of a sealed envelope. Mail all bids to VSE Corporation, 6681 River Run, Riverside, CA 92507. Bids must be received no later than 5:00 p.m. PDT one day prior to sale date. Unsuccessful bids will be returned within five (5) business days via FedEx.

DEPOSIT:

Each purchase of \$5000.00 or less will require payment in full on day of sale. A minimum deposit of \$5000.00 is required on day of sale for each purchase over \$5000.00. Once a purchase reaches \$5000.00, an **immediate** deposit of \$5000.00 is required.

PAYMENT FORM:

Acceptable forms of payment are cash, cashier's check, or credit card (Visa, MasterCard, American Express or Discover Card). U.S. funds only. Bank wires may be used for final payment. Make cashier's check payable to **VSE Corporation/U.S. Treasury.** Personal or business checks, certified checks, traveler's checks, bank letters, check cards or letters of credit are not accepted. ALL CREDIT CARD RECEIPTS MUST BE SIGNED BY ORIGINAL CARDHOLDER. Credit cards issued to a buyer's spouse will not be accepted for use by the buyer.

CHANGE:

VSE Corporation does not make change for more than 10% of the purchase price.

FINAL PAYMENT

Final payments must be made by 5:00 p.m. PDT on Friday, July 20, 2007, at VSE Corporation, 6681 River Run, Riverside, CA 92507. Bank wires may be used for final payment. NO EXTENSION FOR FINAL PAYMENT.

Bank Wire Instructions:

Citizens Bank
1 Citizens Drive
Riverside, RI 02915
Routing #036076150

With Final Credit to:

VSE Corporation
Account #6218223853
Ref: Lot Number

PAYMENT MUST BE MADE BY SUCCESSFUL REGISTERED BIDDER. MONIES RECEIVED BY PARTIES OTHER THAN THE SUCCESSFUL REGISTERED BIDDER WILL BE DECLINED.

Electronic bank transfer for final payment of purchases must originate from an account of registered buyer or the business the buyer represents. The transfer must include the bidder number and all applicable auction sale lots. Any electronic bank transfers received from an account other than that of the registered bidder will not be accepted and will be returned to the originating bank. BANK WIRES MAY TAKE UP TO 24 HOURS TO PROCESS.

REFUNDS:

VSE Corporation makes no refunds, adjustments or returns. All purchases are final.

DEFAULT:

Failure to make required deposit or final payments and/or comply with the time frames specified in the sales catalog/brochure for removal of property shall be deemed forfeiture of any rights, title, and interest buyer may have acquired and the property shall revert back to the Government without further notice to buyer and will result in any monies paid being forfeited and the transaction shall be null and void as to the buyer.

REMOVAL – EXPORT ONLY:

Property must be paid in full before removal. No partial release of any lots. All property in a lot must be released to original buyer at one time. All export only property must be physically removed from the United States within 60 days from date of sale, or buyer will default the terms of sale and property will be resold by the U.S. Department of Treasury. Removal of export only items must be completed no later than September 17, 2007. VSE offices will be closed on September 3, 2007. Please go to <http://www.customs.gov/xp/cgov/export> for detailed export information. Removal of property located at the VSE facility may begin on the day after the sale after payment in full. Warehouse hours are Monday through Friday, 8:30 a.m. – 12:00 noon and 1:00 p.m. -4:00 p.m. PDT. Removal of property located at commercial vendors is by appointment only and must be completed by the date above. Removal is at the expense, liability and risk of buyer. Buyer and vendor must sign property release on the buyer invoice and submit to VSE facility as proof of either delivery to buyer and/or storage arrangements between the buyer and vendor.

REMOVAL – DOMESTIC:

Property must be paid in full before removal. No partial release of any lots. All property in a lot must be released to original buyer at one time. Buyer must present a photo I.D. at the time of property release. Should registered buyer wish to send an agent to pick up property, buyer must prepare and sign an authorization letter identifying the agent to act on his/her behalf. Removal must be completed on or before the dates below or buyer will default the terms of sale and property will be resold by U.S. Department of Treasury. Removal of property located at the VSE facility may begin on the day after the sale after payment in full. Removal must be completed on or before July 25, 2007. VSE will not store property after this date. Removal of property located at commercial vendors is by appointment only and must be completed by the date above. Removal is at the expense, liability and risk of buyer. **BUYER AND VENDOR MUST SIGN PROPERTY RELEASE ON THE BUYER INVOICE AND SUBMIT TO VSE AS PROOF OF DELIVERY TO BUYER. STORAGE ARRANGEMENTS AFTER REMOVAL DATES**

ABOVE ARE SOLELY BETWEEN THE BUYER AND VENDOR. NO EXTENSIONS FOR PROPERTY RELEASE.

NOTICE TO BUYERS OF IRS-CI PROPERTY:

In accordance with 18 USC Section 1963(f) and 21 USC Section 853(h) of the Comprehensive Crime Control Act of 1984 and U.S. Department of Treasury policy, forfeited property will not be sold to the defendant or person(s) acting as his/her agent. Buyers of IRS-CI property need to be aware that IRS has up to 3 business days to approve buyers. However, final payment must still be made by the date indicated in the Terms of Sale. VSE Corporation will notify the Buyer of IRS's determination.

RESERVE:

All property sold may be subject to an undisclosed minimum reserve bid. The U.S. Department of the Treasury through VSE Corporation reserves the right to accept or reject any and all bids. Property is offered subject to acceptance of the seller, unless the property, in explicit terms, is offered without reserve. If reserve price is not achieved, the auctioneer may withdraw the property at any time until he announces completion of the sale.

DISPUTES AND REBIDS:

The decision of the U.S. Department of the Treasury is final in settling disputes. A bidder's retraction does not revive any previous bid.

ANNOUNCEMENTS:

Additional information concerning property for sale may be provided through announcements made on day of sale and shall take precedence over previous information pertinent to that property. Announcements do not alter in any way the basic terms and conditions of sale.

ADDITION OR DELETION FROM SALE:

VSE Corporation reserves the right to withdraw from sale any of the items listed, to sell at this auction items not listed and to group or subdivide lots. VSE Corporation reserves the right to sell all of the items listed in bulk, whenever the best interest of the Government will be served.

ADDITIONAL TERMS AND CONDITIONS:

The preceding contains only selected Terms and Conditions of Sale. Complete Terms and Conditions will be available at the viewing and auction. Or may be requested by calling 888-534-2828 or by fax at 703-960-5789.